

Resume
1.941
58Ag82

U. S. DEPT. OF AGRICULTURE
LIBRARY

OCT 11 1961

CURRENT SERIAL RECORDS

FOR RELEASE
DECEMBER 22, 1960

The AGRICULTURAL OUTLOOK DIGEST

AGRICULTURAL MARKETING SERVICE, U. S. D. A.

WASHINGTON, D. C.



AOD-DECEMBER 1960

Prices of farm products, which in recent years have declined during heavy fall marketings, rose 3 percent from August to November.

The Index of Prices Received by Farmers was up 1 point from October to November and in mid-November was 4 percent above last year. The Index of Prices Paid, including Interest, Taxes, and Farm Wage Rates, was unchanged from October to November and up 1 point from November 1959.

The parity ratio rose from 79 in August to 81 in October and November. It was 78 in November 1959.

LIVESTOCK. Market supplies of cattle this winter will be a little larger than last year with grass cattle providing much of the increase. Prices are likely to continue close to current levels...Hog slaughter should run lower than a year ago with prices probably higher...Lamb marketings in the next few months though declining seasonally, are likely to be above a year earlier, but some seasonal up-trend in lamb prices is expected.

FEED. Feed grain prices this November dipped to the lowest level since 1942-43. Reflecting heavy marketings of the 1960 record crop, corn prices fell sharply to an 18-year low. Oats and barley also declined from October while sorghums held unchanged at October levels.

Hog-corn price ratio in mid-November was near record high.

DAIRY. A milk production record may be set next year, exceeding the 1957 high of 125.9 billion pounds. A major reason: The price of beef cattle, relative to milk prices, has been declining. Also, ample supplies of feed should be available.

Milk production this year will be above a year earlier, with an output of 125.5 billion pounds. Current wholesale prices of butter and fluid cream are running below last year. Prices to farmers for milk and butterfat are a shade higher. Cheddar cheese prices are the highest in several years.

EGGS. Year-end production of eggs is below 1959 while prices to farmers are higher. Mid-November egg prices--45.6 cents per dozen U.S. average--were highest of the year to that date, and the highest since November 1957. These prices have prompted poultrymen to increase their chick orders with the result that eggs in incubators on December 1 were 43 percent above last year.

POULTRY. Broiler prices in early December were below 1959; farm chicken and turkey prices late in the year were above the same period in 1959. Production of both broilers and turkeys in early 1961 will be higher than in early 1960.

SOYBEANS. Prices averaged \$1.95 per bushel during harvest, 10 cents above the support price, and at about the same level as last year. Main factors: Strong export and crusher demand and large withholdings by farmers.

The 1960-61 soybean supply, at 582 million bushels, is slightly below the record of the past two years. Crushings this year may total 400 million bushels; exports, around 140 million. If seed and feed requirements continue the same as in recent years, carryover stocks on October 1, 1961, may be about 10 million bushels--about half as much as this year.

COTTON. The 1960 cotton crop of 14.3 million running bales was about 200,000 bales lower than that of 1959. Harvested acreage increased but yield per acre was down.

With the starting carryover also down from 1959, total cotton supplies of about 22.1 million bales for 1960-61 are 1.5 million bales below 1959-60. And with disappearance probably at about 15 million, carryover next August should be around 7 million--about 1/2 million bales below 1960 and the smallest since 1953.

Cotton exports from August through October were about 746,000 bales, 26,000 higher than during the same period last year. However, exports for the entire season probably will be about 3/4 of a million bales lower than the high of 7.2 million bales of a year earlier.

WHEAT. Cash prices for wheat in mid-December were near the high for the season. Growers had placed, through October, 26 percent of the crop, 355.8 million bushels, under the price support program.

VEGETABLES. Prices of fresh vegetables may be somewhat below last winter, when most tender vegetables were in short supply and high priced. Barring a repeat of last winter's severe weather damage in Florida, production of tender vegetables, such as sweet corn and tomatoes is likely to be larger than last year, with carrots probably substantially smaller. With smaller overall supplies of canned items and generally higher processing and distribution costs, prices of most processed vegetables should average moderately higher than a year earlier.

CITRUS FRUIT. This year's crops of oranges and lemons are somewhat smaller than a year earlier; grapefruits, somewhat larger; and tangerines are up 50 percent. Although citrus prices have declined as marketings increased, prices in early December were above a year earlier, and should remain above 1960 levels this winter.

TOBACCO. Cigarette production and consumption set new records in 1960; further increases are expected in 1961. This is the fourth successive year that a new production high was reached.

Total cigarette production in 1960 was 510 billion 4 percent above a year earlier. Consumption was about 487 billion, 4 percent above 1959 and 8 percent above 1958.

POTATOES. Slightly more potatoes are in the offing this winter than last. Storage stocks of potatoes on December 1 were 6 percent larger than a year ago. A bigger winter crop is expected in California and Florida.